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United States  
General Accounting Office  
Washington, D.C. 20548

Human Resources Division

B-239394

January 24, 1991

The Honorable Christopher J. Dodd  
Chairman, Subcommittee on Children, Family,  
Drugs and Alcoholism  
Committee on Labor and Human Resources  
United States Senate

The Honorable Dale Kildee  
Chairman, Subcommittee on  
Human Resources  
Committee on Education and Labor  
House of Representatives

The Honorable Philip R. Sharp  
Chairman, Subcommittee on Energy and Power  
Committee on Energy and Commerce  
House of Representatives

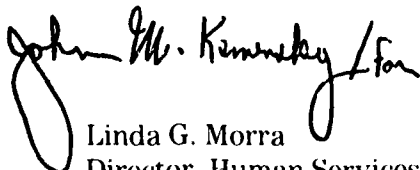
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The Low-Income Home Energy Assistance Act of 1981 requires us to evaluate the use of Low-Income Home Energy Assistance Program (LIHEAP) funds by the states at least every 3 years. This report provides information on how states responded to federal funding cuts in LIHEAP since 1986 and discusses states' compliance with key program requirements. These requirements include conducting outreach activities, targeting assistance, and establishing fiscal control procedures. We also obtained information on other types of energy assistance available in the states.

We are sending copies of this report to other interested congressional committees, the Secretary of Health and Human Services (HHS), and the Assistant Secretary for Family Support within HHS. We also will make copies available to other interested parties on request.

If you or your staff have any questions about this report, please call me on (202) 275-1655. Other major contributors are listed in appendix VI.

Sincerely yours,



Linda G. Morra  
Director, Human Services Policy  
and Management Issues

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# Executive Summary

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## Purpose

The Low-Income Home Energy Assistance Program (LIHEAP) provides grants to states to assist eligible households in meeting the costs of home energy. Federal funding for LIHEAP decreased 31 percent between fiscal years 1986 and 1989, from \$2.0 billion to \$1.4 billion. Funding has remained at about \$1.4 billion each for fiscal years 1990 and 1991. The Department of Health and Human Services (HHS) administers LIHEAP.

Authorizing legislation for LIHEAP requires that GAO periodically examine states' uses of funds. The Chairman of the Subcommittee on Human Resources, House Committee on Education and Labor, asked GAO to focus this review on state efforts to respond to federal LIHEAP funding cuts between fiscal years 1986 and 1989, and state actions to comply with certain key program requirements. GAO also agreed to obtain information on other types of energy assistance available in the states.

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## Background

In response to rapidly rising home energy costs in the mid-1970's, the federal government began a series of one-time energy assistance programs to aid low-income households. In 1981, the Congress enacted the Low-Income Home Energy Assistance Act of 1981, which established the LIHEAP block grant to make home-energy assistance available on a more continuous basis to low-income households. This program provides federal financial assistance to eligible households to help them with heating, cooling, energy-related crises, and home weatherization needs. The Congress gave states flexibility in allocating funds among program components within certain constraints. For example, no more than 15 percent of LIHEAP funds could be used to weatherize homes and states could transfer up to 10 percent of LIHEAP funds to other block grants.<sup>1</sup>

The act requires states to agree to meet certain conditions to receive federal funds. States must (1) conduct outreach activities to assure that eligible households, especially those with elderly or handicapped individuals, are aware of help available under LIHEAP and any similar energy-related assistance; (2) target the highest benefits to eligible households with the lowest incomes and highest energy costs, taking into consideration family size; and (3) establish fiscal control procedures to assure proper disbursement of federal funds.

For this report, GAO focused on the states' LIHEAP heating and crisis assistance program components because they accounted for at least

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<sup>1</sup>The 1990 reauthorization of the act will modify these provisions beginning in fiscal year 1991, as discussed in ch. 1.

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85 percent of funds spent by states on the four program components in fiscal years 1986-89. GAO reviewed state and local program operations in Georgia, Idaho, New Hampshire, and Ohio. In addition, GAO surveyed by telephone state LIHEAP officials in all 50 states and the District of Columbia. It sought to determine what changes states made to their LIHEAP programs between 1986 and 1989, and the reasons for those changes. However, determining the overall impact of LIHEAP funding reductions on households' ability to meet their home energy costs was beyond the scope of this review.

GAO conducted its work between November 1989 and April 1990 in accordance with generally accepted government auditing standards.

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## Results in Brief

Between fiscal year 1986 and 1989, the states offset about a quarter of the cuts in federal LIHEAP funding, mainly with oil overcharge funds resulting from legal settlements with major oil producers.<sup>2</sup> However, most states also reduced energy assistance benefits, primarily because of the federal cuts. In addition, most states served fewer households, with 43 percent attributing the decrease to reasons other than federal funding cuts, such as improved economic conditions that reduced the need for assistance.

States generally complied with key program requirements, by assuring HHS they were (1) conducting outreach activities, especially for the elderly and handicapped, and (2) targeting benefits to households most in need. Also, the four states GAO visited had incorporated fiscal controls to prevent erroneous payments.

In nearly all states, there are other government and private sector programs that provide home energy assistance to low-income households. Such assistance amounted to about \$200 million in fiscal year 1989, state LIHEAP officials estimated. Further, they said, in about one-third of the states these programs provided heating assistance to more households in fiscal year 1989 than in fiscal year 1986.

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<sup>2</sup>These settlements related to price; certain crude oil producers had charged in violation of oil price controls.

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## GAO's Analysis

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### States Offset Some LIHEAP Funding Reductions but Also Scaled Back Programs

While in total, states offset over one-fourth of the \$619 million reduction in their federal LIHEAP allotments between fiscal years 1986 and 1989, the extent varied considerably by state. For example, 8 states offset more than one-half of their cuts and 12 offset none. Most of the offset resulted from states' use of oil overcharge funds for the LIHEAP program. In addition, some states reduced the amount of LIHEAP funds transferred to other block grants. Direct state funding for LIHEAP, however, decreased between fiscal years 1986 and 1989. (See p. 13.)

To compensate partially for the loss of LIHEAP funds, 36 states reduced benefits for program participants. From 1986 to 1989, average annual heating assistance benefit levels per household dropped 15 percent—from \$213 to \$182. In 30 of these states, LIHEAP officials cited decreased federal funding as the major reason for the reduction in benefits. (See p. 21.)

Also, 41 states provided fewer households with LIHEAP heating assistance in fiscal year 1989 than in 1986. For all states, the number of households served decreased by 12 percent but varied significantly among the states. Not all states, however, attributed this to federal funding cuts. In over half of the states that served fewer households, state LIHEAP officials said the primary reason was federal funding cuts. In the remaining states, other reasons, such as improved economic conditions and fewer households applying, were cited for the reduction in the number of households served. (See p. 22.)

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### Other Programs Available to Help Meet Home Energy Needs

In most states, public utility companies or cooperatives created fuel funds to help low-income households pay heating costs, GAO's national telephone survey showed. Some states made available no-cost loans to people unable to pay their heating bills. Some also prohibited public utilities from cutting off gas or electricity to low-income households during the winter. Finally, certain other federal programs, such as Aid to Families With Dependent Children, provide energy assistance to low-income households. (See p. 18.)

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## State Actions to Comply With Program Requirements

The most common outreach techniques states used to make eligible households aware of LIHEAP were television, radio or newspaper advertisements, visits to local community centers, posters displayed in public places, and utility bill inserts. In addition, 46 states targeted outreach efforts to the elderly and 29 targeted the handicapped. (See p. 27.)

In determining LIHEAP benefit levels, all states considered income and energy costs, they told HHS. States used a variety of factors, such as climate zones and type of fuel and housing, to target benefits to the most needy households, as shown in a 1989 report by the National Center for Appropriate Technology. (See p. 28.)

In addressing the requirement that states establish fiscal control procedures to assure proper disbursement of funds, the four states GAO visited had incorporated controls over payments to identify erroneous payments. One state reported that since 1985 it had stopped erroneous payments totaling about \$3 million a year. (See p. 30.)

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## Recommendations

GAO is making no recommendations.

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## Agency Comments

GAO did not obtain written comments on this report but discussed its contents with HHS officials and addressed their concerns where appropriate.

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## Abbreviations

AFDC	Aid to Families with Dependent Children
GAO	General Accounting Office
HHS	Department of Health and Human Services
LIHEAP	Low-Income Home Energy Assistance Program
NCAT	National Center for Appropriate Technology
PIP	Percentage-of-Income Payment



# Introduction

The Low-Income Home Energy Assistance Act of 1981 established the Low-Income Home Energy Assistance Program (LIHEAP) block grant. Under the act, the federal government distributes funds to the 50 states, Indian tribes and tribal organizations, territories, and the District of Columbia according to a statutory formula. States then tailor their own assistance programs to meet the needs of low-income households.<sup>1</sup> The Department of Health and Human Services (HHS) administers LIHEAP. Within HHS, the Office of Energy Assistance in the Family Support Administration oversees LIHEAP's implementation nationwide.

The program's purpose is to help eligible households meet home energy costs. States can assist low-income households through four program components focused on home heating, cooling, crisis assistance,<sup>2</sup> and home weatherization.

While states have flexibility in allocating funds among various activities within their LIHEAP programs, the 1981 act established certain requirements (although the 1990 reauthorization of the act made some modifications to these). For example, no more than 15 percent of LIHEAP funds could be used for weatherization. States also could transfer up to 10 percent of their funds to certain other block grants to be used for those programs' purposes. Further, states could carry over up to 15 percent of their allotments to the succeeding fiscal year.<sup>3</sup>

To receive funds, states must agree to comply with several conditions. For example, they must target the highest benefits to eligible households with the lowest incomes and highest energy costs, taking into consideration family size. Also, they must conduct outreach activities to assure that eligible households, especially those with elderly and handicapped individuals, are aware of help available under LIHEAP and any similar energy-related assistance. Further, states must establish fiscal control procedures for proper disbursement of federal funds.

<sup>1</sup>As used in the remainder of this report, "states" refers to the 50 states and the District of Columbia but excludes Indian tribes and tribal organizations, and the territories.

<sup>2</sup>Crisis assistance provides benefits to help meet emergency needs such as preventing service from being shut off.

<sup>3</sup>Beginning in fiscal year 1991, states can, under certain conditions, use up to 25 percent for weatherization and can carry over no more than 10 percent of their funds. Beginning in fiscal year 1994, transfers will no longer be allowed.

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## Background

Over time, the federal government's objectives in helping low-income households meet their energy needs have changed. In the mid-1970s, federal energy assistance for the poor consisted of a series of one-time crisis assistance programs and help in meeting rapidly rising energy costs. It since has evolved into a continuing program of general assistance for a variety of home energy needs. In providing this help, the federal approach also changed over time from a program administered by the federal government through the states to a state-run block grant.<sup>4</sup>

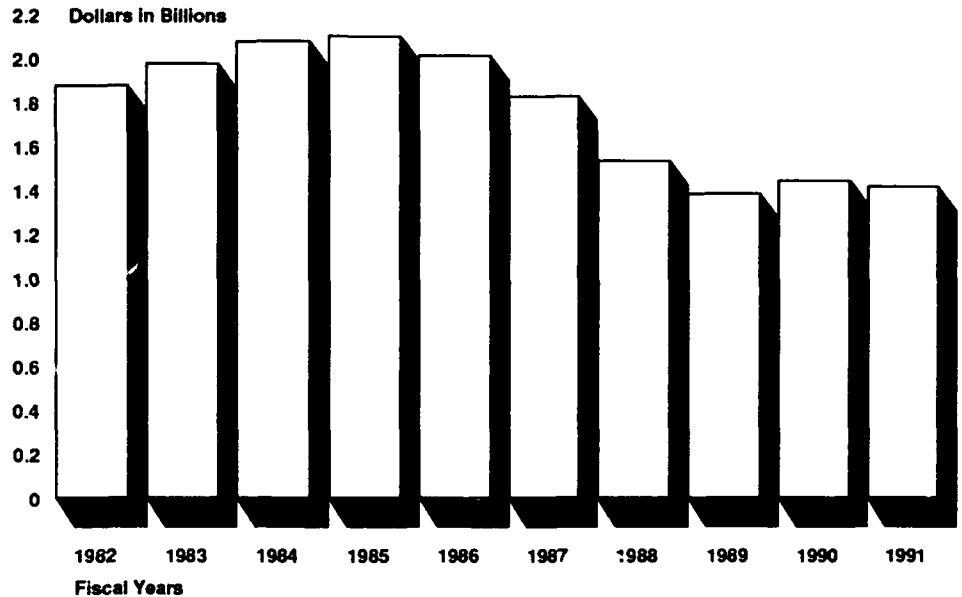
In addition to LIHEAP, most states have in place a number of other programs to help low-income households meet their energy needs. For example, some states provide no-cost loans, prohibit public utilities from cutting off poor customers during the winter, and encourage utility-sponsored fuel funds. Customers can contribute to these funds to help pay the costs of low-income households.

Federal funding for LIHEAP, the main federal source of energy assistance to the poor, amounted to about \$1.4 billion for fiscal year 1989. Each fiscal year between 1982 and 1985, it had increased (see fig. 1.1). For fiscal year 1986, the Congress appropriated the same level of funding as the prior year. However, a 4.3 percent Gramm-Rudman sequester in January 1986 reduced the appropriation made for that year. For the next 3 years, the Congress enacted continually lower appropriations for LIHEAP. Funding for fiscal years 1990 and 1991 was slightly higher than for 1989.

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<sup>4</sup>See Low-Income Home Energy Assistance: A Program Overview (GAO/HRD-91-1BR, Oct. 1990) Sect. 2, for more detail on the program's history.

**Figure 1.1: Federal Funding for LIHEAP**  
(FY 1982-91)



The LIHEAP cuts beginning in fiscal year 1987 resulted from the availability of oil overcharge funds during this period, in our opinion. These funds became available from legal settlements with oil companies to compensate for price overcharges made during the time oil prices were regulated by the federal government. Between fiscal years 1986 and 1989, the settlements made nearly \$3.3 billion available to states for several programs, including LIHEAP. States used \$546 million, about 16 percent of their total available oil overcharge funds, for LIHEAP during this period. Another \$500-\$600 million still may be collected from oil companies and distributed to states over the next 5 to 10 years, as reported by the National Consumer Law Center under a grant from the Department of Energy.<sup>5</sup>

## Objectives, Scope, and Methodology

Authorizing legislation for the LIHEAP block grant requires GAO to evaluate the use of LIHEAP funds by states at least every 3 years. The Chairman of the Subcommittee on Human Resources, House Committee on Education and Labor, asked GAO to focus its review on states'

<sup>5</sup>National Consumer Law Center, *State Uses of Exxon and Stripper Well Oil Overcharge Funds*, Status Report No. 6 (Washington, D.C.: Apr. 1990).

responses to federal funding cuts and compliance with key program requirements between fiscal years 1986 and 1989.

The states' LIHEAP heating assistance and crisis assistance program components accounted for at least 85 percent of funds spent by states on the four program components in fiscal years 1986-89. Accordingly, we concentrated our work on these two components.

We judgmentally selected four states—Georgia, Idaho, New Hampshire, and Ohio—and two local administering agencies in each to review in detail. These four states present a broad mix of factors that could affect responses to LIHEAP funding cuts. The factors included (1) geographic locations, (2) trends in number of households served, (3) types of heating fuel used, (4) LIHEAP funds transferred to other block grant programs, and (5) availability of other state and local energy assistance programs.

In each of the four states, we visited the state administering agency and two local administering agencies, one providing LIHEAP services to an urban area and one to a rural area. At the state level, we interviewed officials with the state LIHEAP agency and the state public utility commission. At the local level, we interviewed officials with local LIHEAP administering agencies and local utility companies or energy provider companies. We collected available data on the state LIHEAP and other energy assistance programs for fiscal years 1986-89 in the areas of households served, services provided, programmatic changes, and reasons for changes.

Also, we conducted a national telephone survey of all state LIHEAP agencies. Through this survey, we obtained state LIHEAP officials' insights on (1) the number and type of households served; (2) energy and heating costs; (3) outreach activities; (4) funding sources; (5) availability, types, and extent of other non-LIHEAP assistance programs; and (6) views of state officials about changes that had occurred since fiscal year 1986. All states responded (see app. I for their responses to key questions).

At the national level, we interviewed officials within the Office of Energy Assistance in HUD's Family Support Administration. We reviewed data pertinent to LIHEAP for fiscal years 1986-89 and other documentation relevant to the Department's oversight of the state programs.

However, determining the overall impact of LIHEAP funding reductions on households' ability to meet their home energy costs was beyond the

scope of this review. Moreover, such a determination would, in our opinion, be complicated, requiring consideration of a number of factors that could affect a household's need for assistance. These would include changes in energy prices, energy consumption, household income, and other energy assistance received.

Our work was conducted between November 1989 and April 1990 in accordance with generally accepted government auditing standards. We did not independently verify information provided by state officials through the telephone survey. But the telephone survey information for the four states we visited was consistent with both HHS-collected data and the data we collected during the state visits.

# States Cushioned Federal Funding Cuts but Also Scaled Back Benefits

Between fiscal years 1986 and 1989, federal funding for LIHEAP declined 31 percent, from \$2.0 billion to \$1.4 billion. By using other funding sources, primarily increased oil overcharge funds, states in total offset over one-fourth of the \$619 million cut in their allotments. While states varied substantially in their responses to the cuts, most told us that the federal funding cuts led to reduced benefits.

The average benefit levels for heating assistance decreased from \$213 in fiscal year 1986 to \$182 in fiscal year 1989—a 15-percent drop. Most states attributed the decrease primarily to federal funding cuts. During the same time, the number of households receiving heating assistance dropped from 6.4 million to 5.6 million. Over half of the states attributed this latter decrease primarily to federal funding cuts, while the remaining states reported other primary reasons, such as improved economic conditions and fewer households applying. Nearly all states made other energy assistance programs available to low-income households. The availability of these other programs may have mitigated some of the effects of the funding cutback on individual program recipients.

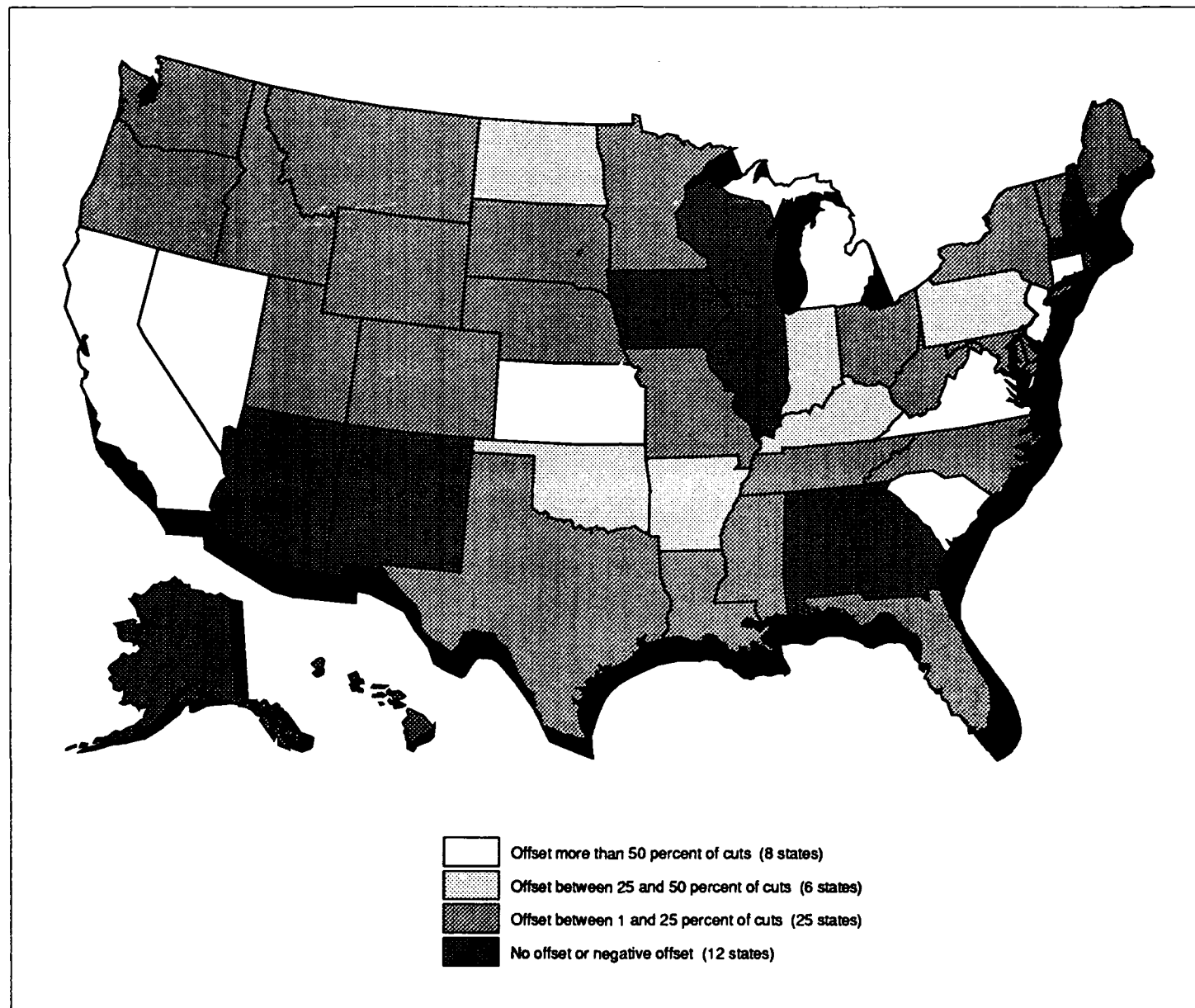
## State Actions Cushioned Federal Funding Reductions

Federal LIHEAP funding to the states decreased by \$619 million between fiscal years 1986 and 1989; the average state funding reduction was 31 percent (see app. II for each state's allotment). States took varying actions that compensated for over one-fourth of the federal funding cuts.

State actions differed significantly. For example, although many states allocated a portion of oil overcharge funds to LIHEAP, the percentage distributions of oil overcharge funds to each state differed from the percentage distribution of federal LIHEAP funds. Further, states may use these funds for several energy-related activities in addition to LIHEAP. In 1989, 27 of the states allocated oil overcharge funds to LIHEAP. These funds comprised from 0.1 to 52.2 percent of total state LIHEAP spending, depending on the state. Also, some states reduced the amounts of LIHEAP funds transferred to other block grant programs and some appropriated state funds for LIHEAP.

These actions resulted in substantial variation in the extent to which states offset the federal cuts (see fig. 2.1). Eight states offset more than one-half of their cuts in federal LIHEAP allotments between fiscal years 1986 and 1989. Twelve states, however, offset none of their cuts or had fewer resources available in fiscal year 1989 than in fiscal year 1986.

Figure 2.1: How States Made Up the Cuts in Federal LIHEAP Funding Between FY 1986 and FY 1989



Note: The District of Columbia, not shown, was among the states having no offset or negative offset.

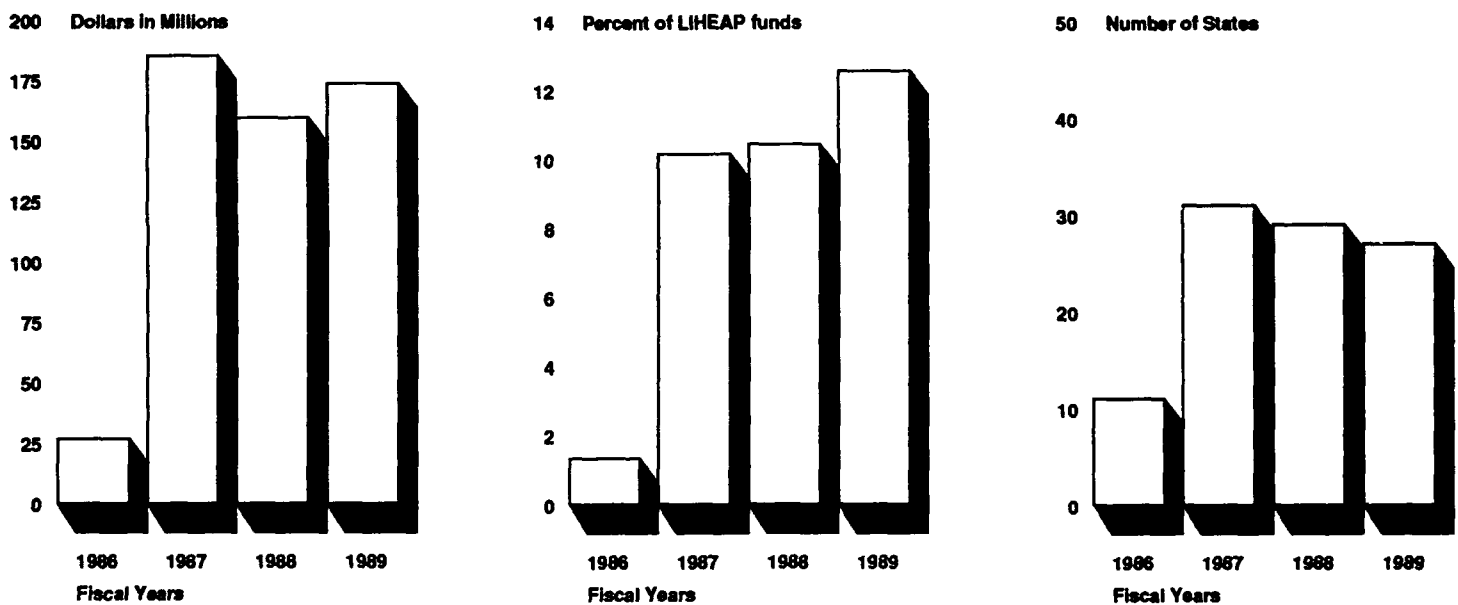
## Oil Overcharge Funds Used by Many States

Since fiscal year 1986, the amount of oil overcharge funds available to the states has increased, principally as a result of two court settlements. Of the \$3.3 billion received through fiscal year 1989, the states used

about 16 percent to support LIHEAP. These funds, however, are temporary. States may receive another \$500-\$600 million over the next 5 to 10 years, as discussed in chapter 1.

In fiscal year 1986, state LIHEAP programs received about \$27 million in oil overcharge funds, about 1 percent of LIHEAP funding. These funds increased in fiscal year 1987 to over \$185 million, or 10 percent of LIHEAP funding. In fiscal year 1989, they dropped to about \$174 million but represented about 12 percent of LIHEAP funding (see fig. 2.2).<sup>1</sup>

Figure 2.2: Use of Oil Overcharge Funds by States for LIHEAP (FY 1986-89)



States may use oil overcharge funds for a number of energy-related programs, including LIHEAP. LIHEAP officials have little control over the amount of such funds made available to their programs. In the four states we visited, the state LIHEAP agency did not decide the allocation of oil overcharge funds. For example, in Ohio, the governor annually allocates oil overcharge funds to several energy programs. We did not

<sup>1</sup>For a more detailed discussion on the share and allocation of oil overcharge funds, see Low-Income Home Energy Assistance: A Program Overview (GAO/HRD-91-1BR, Oct. 1990), Sect. 2.



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determine the extent to which states may have considered reductions in federal LIHEAP funding in allocating oil overcharge funds to LIHEAP.

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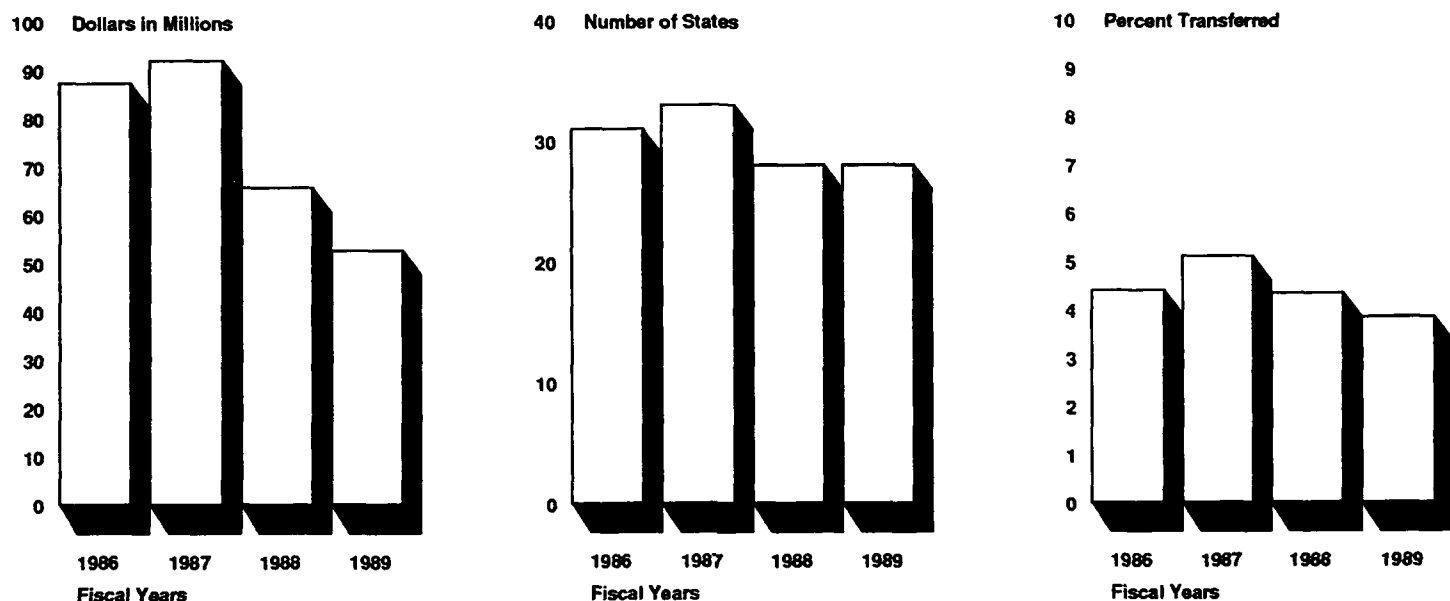
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**Transfers of LIHEAP  
Block Grant Funds Cut by  
Some States**

The amount of funds transferred from LIHEAP to other block grants declined by about \$35 million, or 40 percent, between fiscal years 1986 and 1989. These reductions, which gave states additional funds for their LIHEAP programs, helped cushion the effects of federal funding cuts. However, in our opinion, the reduction in funds transferred generally did not result from action taken by states to limit their transfers. More than half of the states transferred funds, most transferring the full 10 percent allowed by law to one or more of five other HHS block grants. As funding cuts occurred, the states generally continued to maintain their 10-percent level of transfer. In our opinion, most of the decrease that occurred in the amount of funds transferred was a direct result of the funding cuts.

Despite the decreased amount of funds transferred, the number of states transferring LIHEAP block grant funds to other block grant programs and the percentage of funds transferred remained about the same (see fig 2.3). (App. III shows the amount of LIHEAP funds transferred by each state, fiscal years 1986-89.)

Figure 2.3: State Transfers of LIHEAP Funds to Other Block Grants (FY 1986-89)



In the two states we visited (Georgia and Idaho) that transferred LIHEAP funds to other block grant programs, decisions occurred outside of the LIHEAP agency. For example, although the need for energy assistance payments was great, the need for protective social services and physicians' services to pregnant women and crippled children was critical, Idaho LIHEAP officials pointed out. Given several years of inadequate state revenues and reductions in federal funding for these programs, state officials said, Idaho chose to make LIHEAP funding transfers to these critical program areas.

### Some States Added Funds to LIHEAP

A few states contributed their own funds to LIHEAP. Three states provided funding in fiscal year 1986 and five in fiscal year 1989. However, in total the amount of state funding decreased by \$10.7 million between fiscal years 1986 and 1989, as shown in table 2.1. Further, only one state, Massachusetts, provided funding in each of the four years between 1986 and 1989. The overall decrease resulted essentially from program cuts in this one state.

**Table 2.1: Estimated State Funding for LIHEAP (FY 1986-89)**

Dollars in thousands

State	Annual funding			
	1986	1987	1988	1989
Arizona		\$800		
Arkansas		535	\$200	
Delaware				\$67
Louisiana		187		
Maryland				1,198
Massachusetts	\$14,213	14,000	14,000	3,437
Missouri		663	2,213	
Oklahoma	1,347	1,139		1,617
Rhode Island				50
Texas			650	
Virginia	1,500			
<b>Totals</b>	<b>\$17,060</b>	<b>\$17,324</b>	<b>\$17,063</b>	<b>\$6,369</b>

Source: HHS, Low Income Home Energy Assistance Program: Report to Congress for Fiscal Years 1986-89. Annual Reports. Data for FY 1989 is preliminary.

Throughout this period, the share of total LIHEAP funding support from state funding sources did not exceed 1 percent. In fiscal year 1989, state funding represented about 0.4 percent of the \$1.6 billion in total LIHEAP funding support for all states.

## States Provided Other Energy Assistance

In almost every state, energy assistance programs other than LIHEAP were available to assist low-income households with energy costs, our national telephone survey revealed. Officials in 32 states also believed that the same or a larger proportion of households were given heating assistance through these programs in fiscal year 1989 as in fiscal year 1986.

The extent to which other programs were available varied among the states, according to estimates from 27 states. The number of households served by other energy assistance programs ranged from 200 in South Dakota to 240,000 in Michigan (equivalent to about 20 and 92 percent respectively of LIHEAP households in those states). Also, in about one-third of the states, officials believed that a larger proportion of households received heating assistance from other programs in fiscal year 1989 than in fiscal year 1986.

Utility companies represented the most prevalent source of other energy assistance. To a lesser extent, energy assistance programs also were available through state and local governments and other organizations. Limited information was available from our state survey as to the amount of assistance provided by other programs. Other state-funded programs were the principal source of funding. Of the 16 states with such programs, 11 estimated they provided about \$180 million in fiscal year 1989. In addition, 20 states estimated that other funding sources amounted to about \$12 million during the same period.

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### Direct Assistance Provides Funds or Credit to Households

Direct assistance programs funded by federal, state, and private sources provide funds or credit to needy households or their fuel providers. Examples of direct assistance include private fuel fund programs, the federal/state funded Aid to Families with Dependent Children (AFDC) Emergency Assistance program, and Ohio's Energy Credit program.

In 47 states, utility companies or cooperatives operated programs in fiscal year 1989 that helped households pay their heating bills, LIHEAP officials said. A national survey of fuel funds identified 121 programs in 46 states that distributed over \$31 million to 193,081 households during 1987.<sup>2</sup> The average household grant was \$160.68.

Utility-sponsored fuel funds were available in all four states we visited. In Idaho, the state's three largest utilities funded two crisis assistance programs for low-income households facing service cutoffs. For the program serving the southern part of the state, over 2,000 households received an average benefit of \$78 in fiscal year 1989. The estimated LIHEAP crisis assistance benefits in Idaho averaged \$126 in that year.

Ohio, Georgia, and New Hampshire operated the AFDC Emergency Assistance program. This is an optional program available to states under AFDC that provides assistance to eligible households in meeting various emergency needs, including energy-related emergencies. Ohio's Family Emergency Assistance program offered a one-time payment to eligible households to restore services, prevent disconnections, or purchase bulk fuel. In fiscal year 1989, while Ohio's LIHEAP received about \$71.0 million in federal funds, the Family Emergency Assistance program was funded for \$8.3 million. The state collected no data on the number of

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<sup>2</sup>Eisenberg, Joel, One Hundred Points of Light: The 1988 National Fuel Funds Survey. May 1989, a report on the results of the survey sponsored by the National Fuel Funds Network, Edison Electric Institute, and the American Gas Association.

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households it served or amount of assistance provided specifically for energy emergencies.

In addition, Ohio's Energy Credit program provided up to a 30 percent credit on heating bills for the months of December through April to households with elderly or handicapped members below a certain income level. In fiscal year 1989, 161,400 households received \$23 million in benefits entirely from state funds.

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**Indirect Assistance  
Includes Loans,  
Moratoriums, Budgeting  
Help**

Indirect assistance programs do not relieve households of liability for energy costs. Rather, they provide such services as energy cut-off protection, no-cost loans, and budgeting programs to eligible households during the heating season. Examples of these state-operated programs in the four states we visited include interest-free loan programs, percentage-of-income payment plans, and moratorium programs. In some states, such as Idaho, moratorium programs prohibited service cut-offs to households with children, elderly, or very ill members during the coldest months. Moratoriums did not, however, eliminate debts that may have resulted in cutoffs during other months.

New Hampshire offered another type of indirect energy assistance program—interest-free loans—to help qualifying households. In fiscal year 1989, the state loaned over \$101,000 from oil overcharge funds. Loans of up to \$200 each were made to 525 households. The New Hampshire program was open to households that were ineligible for other types of energy assistance, including LIHEAP, to pay their winter heating bills.

In 1983, Ohio instituted America's first Percentage-of-Income Payment (PIP) plan. A response to a failed moratorium on winter utility disconnections, PIP was a longer term solution for low-income customers. It was designed to enable them to make affordable payments toward their energy costs, thereby reducing stress on their household budgets. Under PIP, a LIHEAP-eligible household can defer some of its energy costs by paying a percentage of total household income (15 percent) toward the total energy bill during the specified heating season. The remainder is tabulated into an arrearage account that the household is responsible for paying at a later time. At the end of 1989, the PIP plan served about 212,500 accounts, an official of Ohio's Public Utilities Commission told us.

Eight other states have used, developed, or studied percentage-of-income payment plans as of 1989, the National Consumer Law Center reports.

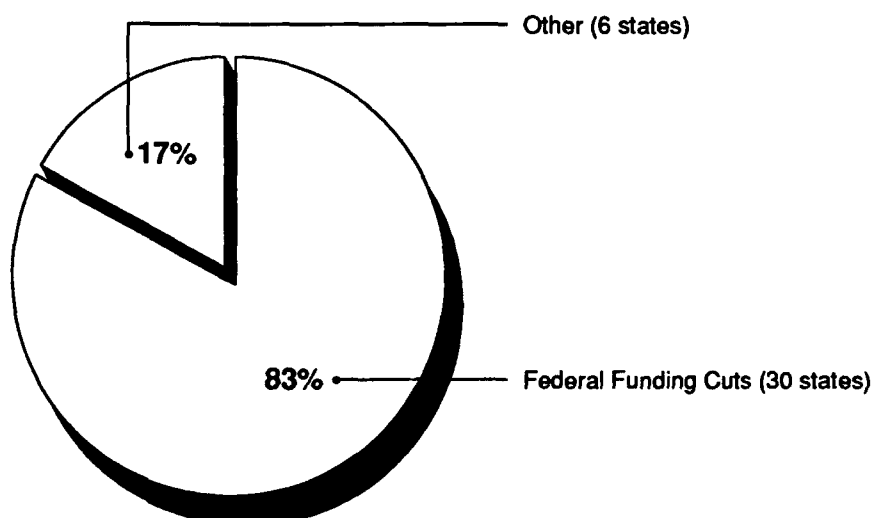
## State LIHEAP Programs Scaled Back

While most states partially offset the federal funding cuts, they also reduced LIHEAP benefits and provided fewer households with assistance. Most state LIHEAP officials cited federal funding cuts as the major reason for reductions in benefits. Over half of the states attributed the decline in households served to funding cuts. The remainder cited other factors, such as improved economic conditions.

## States Reduced Benefits

Between fiscal years 1986 and 1989, the average LIHEAP benefits for heating assistance decreased 15 percent, from \$213 to \$182 per household. Among the 36 states that responded to our telephone survey that they had reduced benefits, decreased federal funding was the major reason given (see fig. 2.4). Some state LIHEAP officials cited other factors, such as milder winter weather, lower fuel costs, and eligibility changes, as reasons for reductions.

Figure 2.4: Primary Reasons Cited by  
States for Reduced Benefits in FY 1989  
Compared With FY 1986



Note: Other reasons cited included lower fuel costs, milder weather, and eligibility changes.

In three of the four states we reviewed in detail, state officials gave similar reasons for cutbacks in LIHEAP benefits. However, Ohio state LIHEAP

officials said that their program needed no changes between fiscal years 1986 and 1989. The reasons they cited included fewer households applying for assistance, decreases in energy costs, and milder winter weather.

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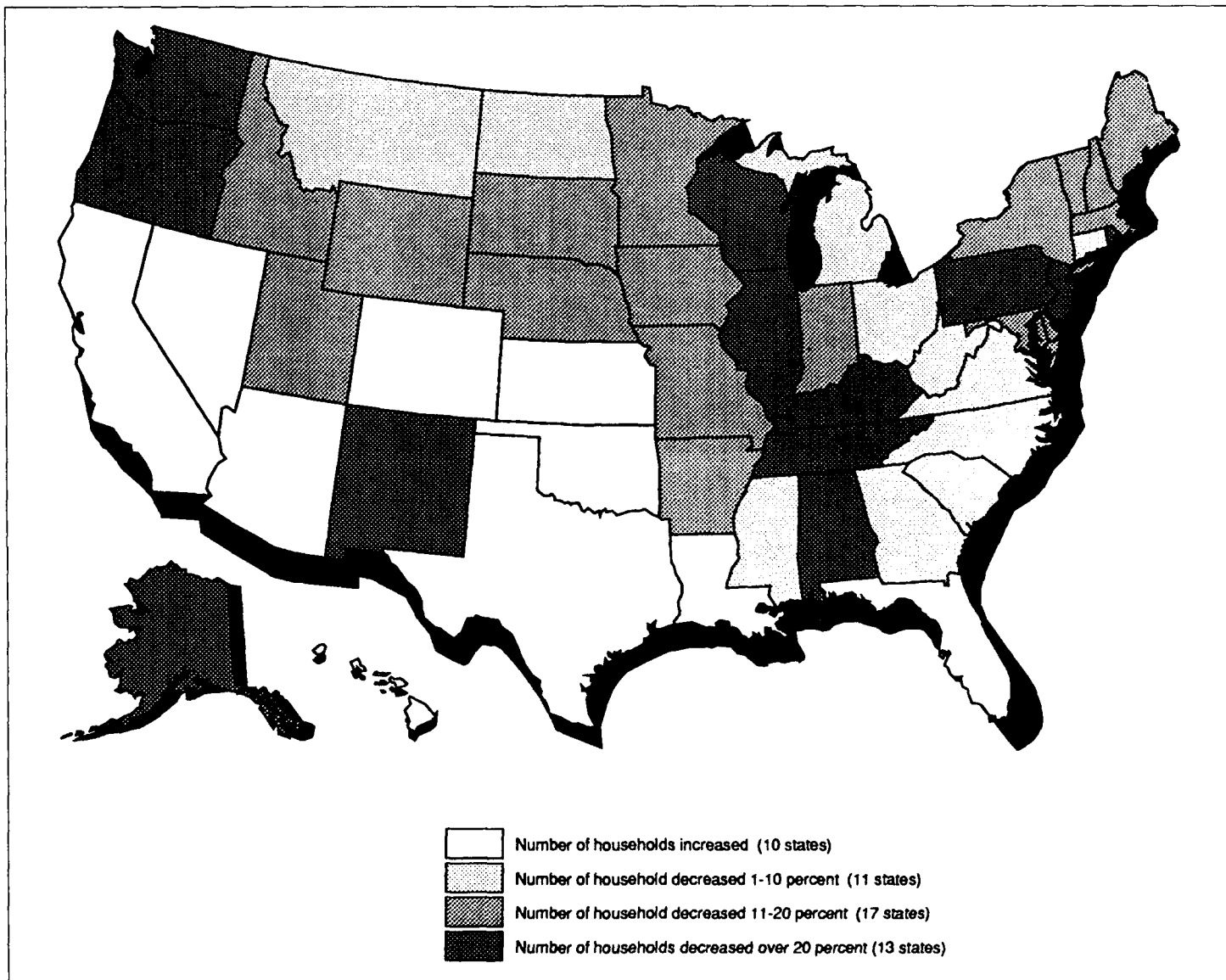
### Fewer Households Served

The total number of households served nationwide by the LIHEAP heating program dropped 12 percent between fiscal years 1986 and 1989, from 6.4 million to 5.6 million. In over half of the states, LIHEAP officials attributed the decreases in the number of households served by the heating component to federal LIHEAP funding cuts. In the remaining 43 percent, they attributed decreases to such factors as improved state economic conditions or fewer households applying. Crisis assistance, a smaller component of LIHEAP, dropped 6 percent in households served between fiscal years 1986 and 1989—from 952,000 to 891,000.

### Drop Greatest in Households Given Heating Assistance

In fiscal year 1989, 41 states provided fewer households with heating assistance than in fiscal year 1986. For all states, participation decreased by about 12 percent but varied significantly among the states, as shown in figure 2.5. A few states experienced drops exceeding 25 percent. Detailed state-by-state information on changes in the number of households receiving heating assistance, fiscal years 1986-89, appears in appendix IV.

Figure 2.5: Number of Households Given LIHEAP Heating Assistance in FY 1989 Compared With FY 1986



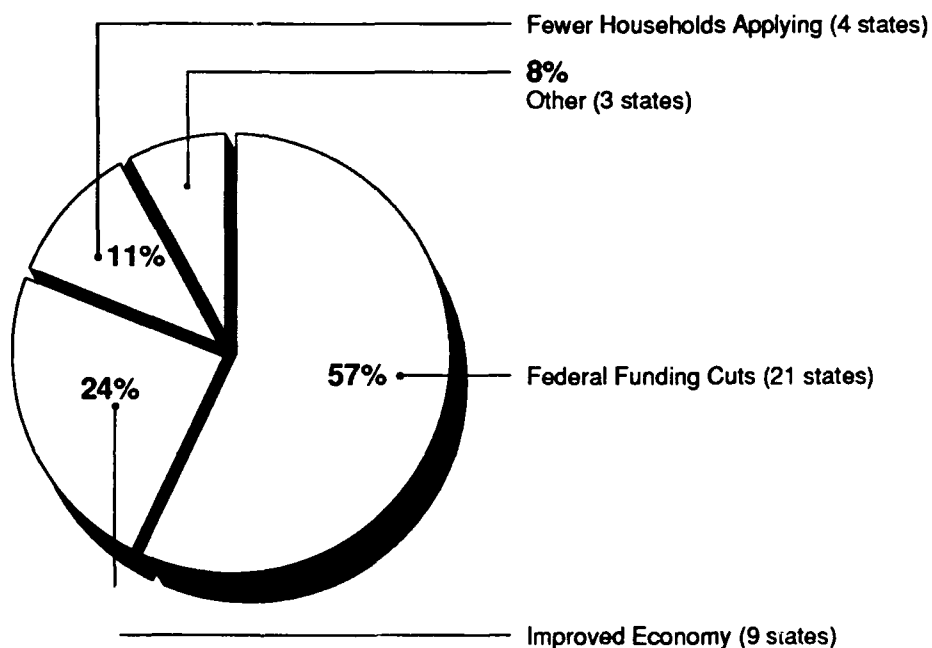
Note: The District of Columbia, not shown, was among those jurisdictions where households decreased over 20 percent

In over half of the states that served fewer households, state LIHEAP officials attributed the primary reason for the decrease to federal funding cuts, as shown in figure 2.6. The remaining states cited other reasons, such as improved economic conditions and fewer households applying. For example, Idaho officials speculated that lower benefit payments, as



a direct result of federal funding cuts and relatively mild winters, may have contributed to fewer households applying for assistance.

**Figure 2.6: Primary Reasons Cited by States for Fewer Households Served in FY 1989 Than in FY 1986**



Note. Other reasons cited included eligibility changes

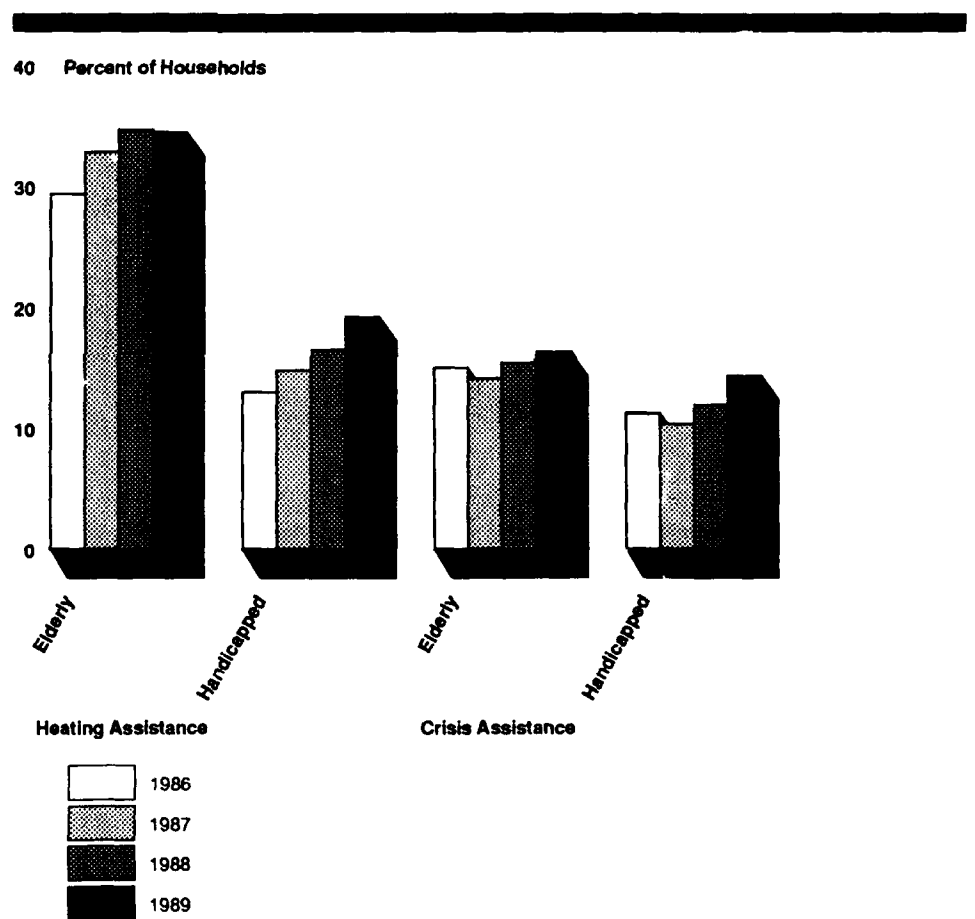
### Decrease Less in Households Served by Crisis Assistance

Crisis assistance, a smaller component of LIHEAP than heating assistance, showed a 6-percent decrease in participation between fiscal years 1986 and 1989. Of 48 states with winter or year-round crisis programs in fiscal year 1989, HHS reported that more than half of these states served fewer households in fiscal year 1989 than in fiscal year 1986. State-by-state information on changes in the number of households served by winter or year-round crisis assistance, fiscal years 1986-89, appears in appendix V. Again, decreased federal funding was the reason generally given by state LIHEAP officials for providing crisis assistance to fewer households.

## Elderly and Handicapped Households Served Increase

While the total number of households served declined between fiscal years 1986 and 1989, states served more households with elderly and handicapped members under both the heating and crisis assistance components. The percentage of households with elderly and handicapped individuals increased in each of the two program components between fiscal years 1986 and 1989, as figure 2.7 shows.

Figure 2.7: Households With Elderly or Handicapped Individuals in Heating and Crisis Assistance Programs (FY 1986-89)



## Few Changes Made in Eligibility Criteria or Outreach Efforts

Despite the federal budget cuts, state LIHEAP officials reported that they have generally not reduced LIHEAP eligibility criteria or outreach efforts. In our opinion, such factors have not contributed to the decline in households served.

Forty states made few or no changes to their LIHEAP eligibility criteria between fiscal years 1986 and 1989, as reported by HHS and other sources. However, changes in eligibility criteria reduced the population eligible for heating assistance in five states and increased it in two. For the remaining four states, we could not determine from the information reported by HHS if the states had made eligibility changes.

Two of the four states we visited changed their eligibility criteria, state LIHEAP officials told us. Georgia officials tightened the eligibility criteria for crisis assistance in response to the decreased availability of oil over-charge funds. In contrast, New Hampshire expanded program eligibility in January 1989 to households with up to 60 percent of the state median income, state officials said. However, the state did not continue this expansion in program eligibility into the 1989 program.

Thirty-eight states conducted about the same or more outreach in fiscal year 1989 as in 1986, according to their LIHEAP officials. In the 16 states that conducted more outreach in fiscal year 1989, most officials said that they did so to increase emphasis on outreach to specific target groups.

In Georgia, outreach efforts remained about the same from fiscal year 1986 through 1989. In Idaho, however, some local outreach efforts reportedly were curtailed as a result of dwindling administrative funds, and county office locations were closed down in rural areas. In New Hampshire, reduced federal funding adversely affected state outreach efforts. The two New Hampshire subgrantees we visited said that drops in federal funding forced them to close down outreach/intake offices, curtail office operations, and reduce outreach staff and home visits. In Ohio, outreach had changed somewhat, we were told; when there are fewer benefit dollars the need for outreach decreases.

# State Actions to Comply With Key Program Requirements

The Low-Income Home Energy Assistance Act of 1981 requires that states agree to meet certain conditions to receive LIHEAP funds. States must assure HHS that they will conduct certain outreach activities, especially to the elderly and handicapped; target benefits to households most in need; and establish fiscal control procedures to assure proper disbursement of federal funds. All states have conducted various outreach activities to make eligible households aware of energy-related assistance, our survey showed. All states reported to HHS that they target benefit payments to those households most in need. Finally, the states we visited established fiscal controls to prevent erroneous payments.

## Outreach Requirements Observed

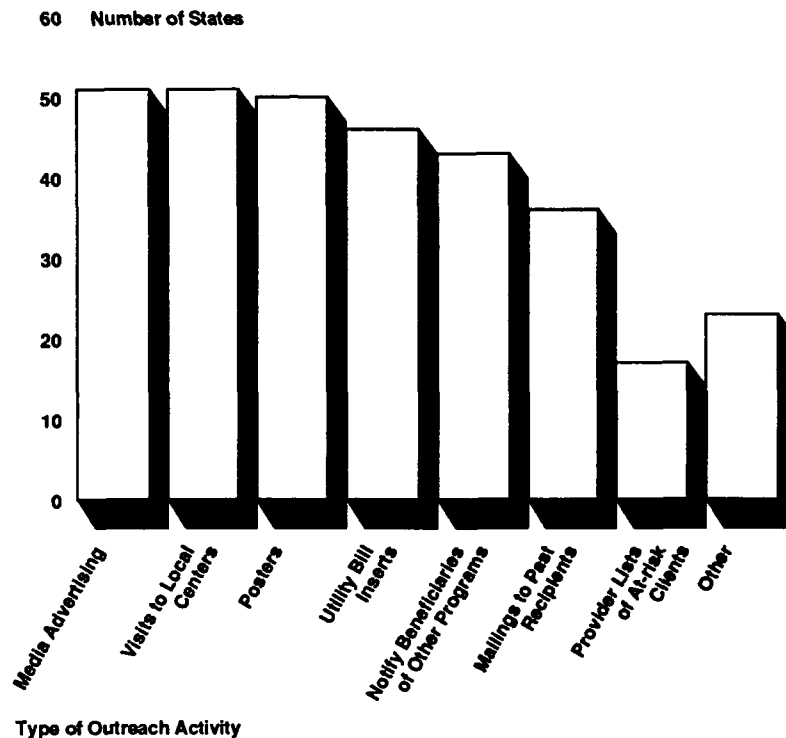
All the state programs incorporate outreach activities to make households aware of LIHEAP, state program officials told us when surveyed. In 31 states, such outreach activities reached 60 percent or more of all eligible households. Forty-six states specifically targeted outreach to the elderly, and 29 targeted the handicapped.

States cited a variety of outreach techniques used to inform households about LIHEAP. The most commonly used outreach techniques included ads in the local media, visits to local centers, posters in public places, and messages in utility bills to energy customers, as figure 3.1 shows. The most effective outreach techniques, state officials said, were media advertising and mailings to past recipients (see fig. 3.2).

Outreach activities in the four states we visited were consistent with the national trends reported in our telephone survey. For example, in Georgia the state office developed community awareness and news media kits as guides for local agency outreach. The kits contained examples of public service announcements, information sheets on program brochures, and posters and flyers. In New Hampshire, the state office provided information brochures to other elements of the state government for distribution to households receiving AFDC assistance and for distribution by state unemployment offices. The state office also gave brochures to its subgrantees.

The programs in the four states we visited also included outreach activities directed toward the elderly and handicapped. For example, Ohio's LIHEAP gave \$265,000 in fiscal year 1989 to the state Department of Aging to conduct outreach to the state's elderly population. LIHEAP also worked with the Governor's Advocacy Office for the Disabled to equip its office with telephone devices for communicating with the hearing impaired.

Figure 3.1: Types of Outreach Activities  
Used by States



In Idaho, staff from one of the local administering agencies visited senior centers and housing projects 2 weeks before the heating season began to describe the program and take applications. The agency staff estimated that they make about 200 home visits a year to take applications from households with homebound elderly and handicapped members.

## States Targeted Benefits as Required

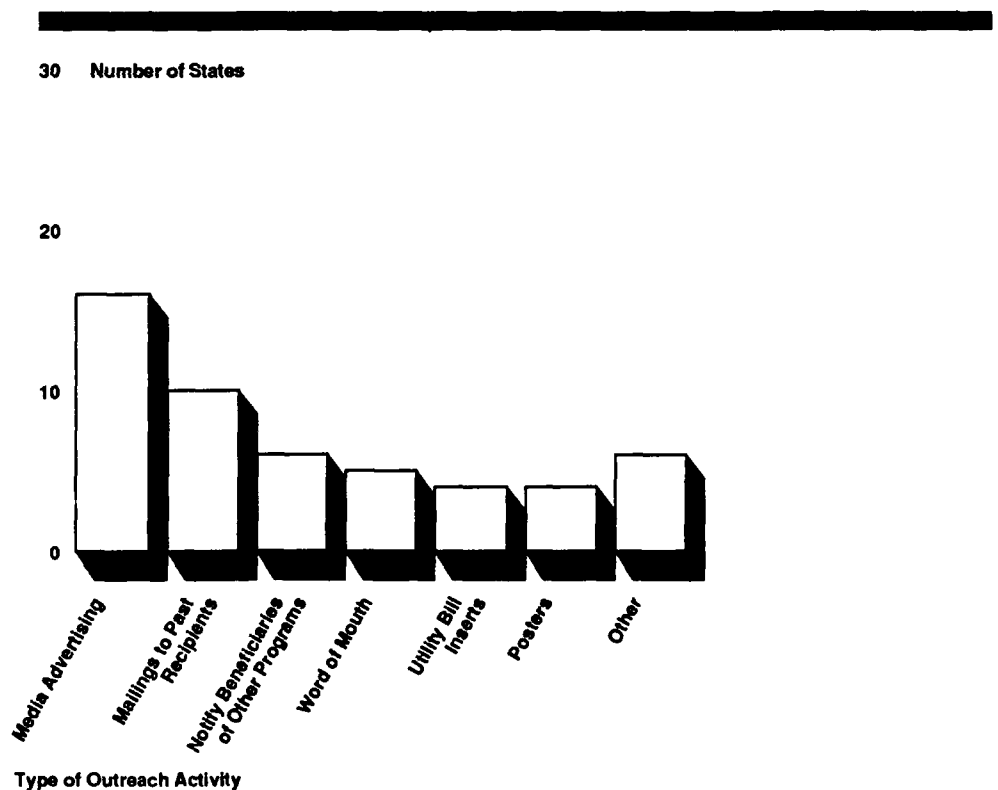
States determine the amount of benefit payments to eligible households. However, states are required to assure that the highest level of assistance is paid to the households with the lowest income and highest energy cost in relation to income, taking into account family size. All states have reported to HHS that they consider income and energy costs in determining benefit levels. All states used household income to establish benefit levels,<sup>1</sup> according to a 1989 report by the National Center for Appropriate Technology (NCAT) that identified the criteria they used to

<sup>1</sup>HHS contracted with the center to prepare a catalog on state program characteristics.

vary benefits. In addition, it showed that states used a variety of other factors, such as climate zone, fuel type, and housing type, to assure that benefits are targeted on the basis of energy costs.

More than half of the states provided priority treatment for the elderly and handicapped, such as by allowing early applications or higher benefits. For fiscal year 1989, NCAT reported that 20 states accepted applications from the elderly or handicapped earlier than from other households. Also, eight states paid higher benefits to households with elderly or handicapped members. For example, Alaska and Nevada provided \$50 and \$30 respectively as additions to the benefit payments for elderly households in 1989. In Missouri, all households with either an elderly or handicapped member were guaranteed a minimum payment of \$150.

Figure 3.2: Outreach Activity Cited by States as Most Effective



However, at least one state, Kentucky, provided regular heating benefits to only elderly and handicapped households until this practice was stopped by a federal district court in December 1989. The court required the state to revise its benefit distribution policy to target regular heating assistance to all eligible households. It also ordered Kentucky to make available to the general population of eligible households about \$5.2 million for regular heating benefits, an amount roughly equal to that paid to the elderly and handicapped.

After a preliminary review of Kentucky's fiscal year 1990 LIHEAP plan, HHS also questioned whether Kentucky's heating component was in compliance with the targeting requirement of the act. HHS said the state was serving "only" the elderly and handicapped. In November 1989, Kentucky's Commissioner for the Department for Social Insurance responded by citing a state general counsel's opinion that the state's fiscal year 1990 program was in compliance with the act's targeting requirement. However, as a result of the December 1989 court case Kentucky advised HHS that it would revise its LIHEAP plan to conform to the court's decision.

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## States Visited Established Controls to Prevent Erroneous Payments

The act requires that states establish fiscal control and fund accounting procedures to assure proper disbursement of and accounting for block grant funds. Each of the four states we visited administer LIHEAP differently, but each incorporated controls over payments to identify erroneous payments:

- Ohio receives mail-in applications for its regular heating program. The central state office reviews each application for completeness and required support; it then is processed by the state data processing center and subjected to more than a dozen edit checks. These checks are an effort to prevent duplicate payments and ensure that applicants meet program criteria. State data shows that the edits have stopped payments totaling about \$3 million a year since fiscal year 1985.
- Georgia's state agency and an appropriate local agency both review LIHEAP heating assistance applications to verify their accuracy before they are entered into the state's system for payment. In addition to these two manual reviews, the state employs about 32 computer edit checks to verify applicant eligibility and to prevent duplicate payments.
- Idaho local agencies examine applications to ensure they are complete and adequately supported. Actual payments are made at the state level, but only after the proposed payments are reviewed for possible duplication by applicant name, address, and social security number.

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**Chapter 3**  
**State Actions to Comply With Key**  
**Program Requirements**

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- New Hampshire local agencies administer the entire program, using computer systems with state-supplied software. The systems compute benefits and match information to find and correct errors that cause erroneous payments.



# Summary of Responses to Key LIHEAP Telephone Survey Questions

Between January 31, 1990 and February 13, 1990, we conducted telephone interviews with LIHEAP officials in all 50 states and the District of Columbia. We interviewed each state's chief LIHEAP administrator or designee about LIHEAP participation and services in that state. The responses analyzed below are from selected questions asked during these interviews. Some of the questions included here have been paraphrased for clarity and conciseness. For certain questions, the total responses may not add to 51 because of the structure of the interview guide used. Also, percentages, where used, may not add to 100 due to rounding.

## What Proportion of Eligible Households in the State Receive LIHEAP Heating Assistance?

Proportion of households	Percent of responses		
	All eligible households	Eligible households with	
		Elderly individuals	Handicapped individuals
All or almost all (80% +)	12	18	8
Most (60-79%)	16	10	16
About half (40-59%)	45	35	22
Some (20-39%)	24	22	26
Few, if any (0-19%)	2	6	10
Do not know	2	10	20

Note: Total responses for each column, 51.

## Why Does LIHEAP Not Provide Heating Assistance to More Eligible Households?

Fundamental reasons	Percent of responses		
	All eligible households <sup>a</sup>	Eligible households with	
		Elderly individuals <sup>b</sup>	Handicapped individuals <sup>c</sup>
Decrease in federal LIHEAP funding	53	34	48
Households chose not to apply	33	59	26
State does not have good outreach methods	8	7	26
Other	6	0	0

<sup>a</sup>36 responses

<sup>b</sup>29 responses

<sup>c</sup>23 responses

**How Many Eligible Households Received LIHEAP Assistance in FY 1989 Compared With FY 1986?**

Comparative number of households	Percent of responses		
	All eligible households	Eligible households with	
		Elderly individuals	Handicapped individuals
More	14	22	14
About the same	14	37	49
Fewer	73	33	29
Do not know	0	8	8

Note: Total responses for each column, 51.

**Why Did Fewer Eligible Households Receive LIHEAP Heating Assistance in FY 1989 Than in FY 1986?**

Fundamental reasons	Percent of responses		
	All eligible households <sup>a</sup>	Eligible households with	
		Elderly individuals <sup>b</sup>	Handicapped individuals <sup>c</sup>
Decreased federal LIHEAP funding	57	59	53
Improved economic conditions	24	12	13
Fewer households chose to apply	11	12	27
Eligibility criteria changed	3	6	0
Other	5	12	7

<sup>a</sup>37 responses

<sup>b</sup>17 responses

<sup>c</sup>15 responses

**Was the Average Amount of LIHEAP Heating Assistance Benefits Provided in FY 1989 Larger or Smaller Than That in FY 1986?**

Comparative amount of benefits	Percent of responses
Larger	8
About the same	22
Smaller	71

Note: Total responses, 51

**Why Was the Average Amount of LIHEAP Heating Assistance Benefits Smaller in FY 1989 Than in FY 1986?**

<b>Fundamental reasons</b>	<b>Percent of responses</b>
Decreased federal LIHEAP funding	86
Decreased fuel costs	3
Milder winter	3
Eligibility criteria changed	3
Decreased benefit levels	6

Note: Total responses, 36.

**Compared With FY 1986, Did LIHEAP Heating Assistance Cover a Larger or Smaller Percentage of the Average Recipient Household's Heating Bill in FY 1989?**

<b>Comparative amount of coverage</b>	<b>Percent of responses</b>
Larger	10
About the same	20
Smaller	66
Do not know	4

Note: Total responses, 50.

**Why Did LIHEAP Heating Assistance Cover Smaller Percentages of Households' Heating Bills in FY 1989 Than in FY 1986?**

<b>Fundamental reasons</b>	<b>Percent of responses</b>
Decreased federal LIHEAP funding	67
Increased fuel costs	12
Decreased benefit levels	21

Note: Total responses, 33.

**Appendix I**  
**Summary of Responses to Key LIHEAP**  
**Telephone Survey Questions**

**Was the Number of Eligible Households Receiving LIHEAP Crisis Assistance Greater or Fewer in FY 1989 Than in FY 1986?**

<b>Comparative number of assistance</b>	<b>Percent of responses</b>
Greater	23
About the same	15
Fewer	56
Do not know	6

Note: Total responses, 48.

**Why Did Fewer Eligible Households Receive LIHEAP Crisis Heating Assistance in FY 1989 Than in FY 1986?**

<b>Fundamental reasons</b>	<b>Percent of responses</b>
Decreased federal LIHEAP funding	67
Improved economic conditions	7
Decreased risk of utility shutoffs	4
Eligibility criteria changed	4
Other	19

Note: Total responses, 27.

**Was the Average Amount of LIHEAP Crisis Heating Assistance Benefits in FY 1989 Larger or Smaller Than That in FY 1986?**

<b>Comparative amount of benefits</b>	<b>Percent of responses</b>
Larger	21
About the same	38
Smaller	38
Do not know	4

Note: Total responses, 48.

**Appendix I**  
**Summary of Responses to Key LIHEAP**  
**Telephone Survey Questions**

**Why Was the Average Amount of LIHEAP Crisis Heating Assistance Benefits in FY 1989 Smaller Than That in FY 1986?**

<b>Fundamental reasons</b>	<b>Percent of responses</b>
Decreased federal LIHEAP funding	78
Decreased benefit levels	11
Other	11

Note: Total responses, 18.

**Was the Proportion of LIHEAP Funds Transferred to Other Block Grant Programs in FY 1989 Larger or Smaller Than That in FY 1986?**

<b>Comparative proportions</b>	<b>Percent of responses</b>
Larger	0
About the same	58
Smaller	31
LIHEAP funds were not transferred in FY 1989 and FY 1986	6
Do not know	6

Note: Total responses, 36.

**Why Was the Proportion of LIHEAP Funds Transferred in FY 1989 Smaller Than in FY 1986?**

<b>Fundamental reasons</b>	<b>Percent of responses</b>
Decreased federal LIHEAP funding	82
Did not transfer LIHEAP funds in FY 1989	18

Note: Total responses, 11.

**Excluding Oil Overcharge Funds, Was State Funding for LIHEAP Requested?**

<b>State funding requested</b>	<b>Percent of responses</b>
Yes	37
No	59
Do not know	4

Note: Total responses, 51

**Appendix I**  
**Summary of Responses to Key LIHEAP**  
**Telephone Survey Questions**

**Were Heating Assistance Programs Other Than LIHEAP Available?**

Responses	Percent of responses			
	State gov't.- funded programs	Local gov't.- funded programs	Utilit company operated programs	Other private, nonprofit programs
Yes	31	33	92	57
No	63	59	8	39
Do not know	6	8	0	4

Note: Total responses for each column, 51

**Was the Number of Households Receiving Heating Assistance From Programs Other Than LIHEAP in FY 1989 Greater or Smaller Than in FY 1986?**

Comparative number of households	Percent of responses
Larger	31
About the same	35
Smaller	13
Do not know	21

Note: Total responses, 48

**Was the Period for Accepting LIHEAP Applications Longer or Shorter in FY 1989 Than in FY 1986?**

Comparative application periods	Percent of responses
Longer	8
About the same	57
Shorter	35

Note: Total responses, 51

**Why Were Application Periods Shorter in FY 1989 Than in FY 1986?**

Fundamental reasons	Percent of responses
Decreased federal LIHEAP funding	83
Other	17

Note: Total responses, 18

**Appendix I**  
**Summary of Responses to Key LIHEAP**  
**Telephone Survey Questions**

**Which Outreach Activities Have Been Most Effective in Informing Households About LIHEAP?**

<b>Outreach activity</b>	<b>Percent of responses</b>
TV/radio/newspaper ads	31
Mass mailings to former LIHEAP recipients	20
Other	20
Provide information to beneficiaries of other categorical programs	12
Posters/flyers in public places	8
Inserts in utility bills	8
Rely on other gov't/private entities to conduct outreach	2

Note: Total responses, 51.

**To What Extent Did All LIHEAP Outreach Activities Reach Eligible Households in FY 1989?**

<b>Extent of households reached</b>	<b>Percent of responses</b>
All or almost all (80%+)	37
Most (60-79%)	24
About half (40-59%)	22
Some (20-39%)	12
Few, if any (0-19%)	2
Do not know	4

Note: Total responses, 51.

**What Was the Extent of LIHEAP Outreach Activities in FY 1989 Compared With FY 1986?**

<b>Comparative amount of outreach activities</b>	<b>Percent of responses</b>
More	31
About the same amount	43
Less	26

Note: Total responses, 51.

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**Appendix I**  
**Summary of Responses to Key LIHEAP**  
**Telephone Survey Questions**

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**Why Were There Fewer LIHEAP Outreach Activities in FY 1989  
Than in FY 1986?**

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<b>Fundamental reasons</b>		<b>Percent of responses</b>
Decreased federal LIHEAP funding		92
Other		8

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Note: Total responses, 12



# Federal LIHEAP Allotments, by State (FY 1986 and 1989)

State	Federal LIHEAP allotments		Percent change (FY 1986-89)
	FY 1986	FY 1989	
<b>Total</b>	<b>\$1,988,842,779</b>	<b>\$1,369,642,868</b>	<b>-31</b>
Alabama	17,641,549	11,819,428	-33
Alaska	7,214,537	4,949,934	-31
Arizona	7,720,756	5,222,445	-32
Arkansas	13,519,483	9,063,617	-33
California	94,707,356	63,419,273	-33
Colorado	31,692,305	22,218,226	-30
Connecticut	41,343,730	28,984,458	-30
Delaware	5,731,968	3,847,129	-33
District of Columbia	6,437,347	4,501,335	-30
Florida	28,025,749	18,786,179	-33
Georgia	22,165,788	14,860,199	-33
Hawaii	2,134,629	1,496,505	-30
Idaho	12,263,943	8,597,776	-30
Illinois	116,214,159	80,223,978	-31
Indiana	52,206,882	36,323,163	-30
Iowa	36,719,670	25,742,712	-30
Kansas	17,269,072	11,809,473	-32
Kentucky	28,187,006	18,902,451	-33
Louisiana	18,113,682	12,136,021	-33
Maine	26,567,195	18,562,024	-30
Maryland	33,103,599	22,193,033	-33
Massachusetts	82,686,680	57,968,427	-30
Michigan	109,874,410	76,022,722	-31
Minnesota	78,271,456	54,873,031	-30
Mississippi	15,173,723	10,172,646	-33
Missouri	47,784,059	32,044,588	-33
Montana	11,665,225	8,626,212	-26
Nebraska	18,129,559	12,730,759	-30
Nevada	4,016,176	2,692,494	-33
New Hampshire	15,653,641	10,974,151	-30
New Jersey	80,135,293	53,739,540	-33
New Mexico	9,922,643	6,654,227	-33
New York	250,500,858	175,609,756	-30
North Carolina	39,067,248	25,536,355	-35
North Dakota	13,906,871	9,806,981	-29
Ohio	105,829,129	70,970,100	-33
Oklahoma	15,484,462	10,378,578	-33
Oregon	24,562,876	17,220,064	-30

(continued)

**Appendix II**  
**Federal LIHEAP Allotments, by State**  
**(FY 1986 and 1989)**

State	Federal LIHEAP allotments		Percent change (FY 1986-89)
	FY 1986	FY 1989	
Pennsylvania	134,653,488	94,400,250	-30
Rhode Island	13,534,371	9,543,595	-29
South Carolina	14,071,505	9,433,700	-33
South Dakota	10,822,759	7,635,750	-29
Tennessee	28,561,231	19,147,779	-33
Texas	46,640,512	31,268,335	-33
Utah	14,111,623	10,096,566	-28
Vermont	11,732,961	8,225,517	-30
Virginia	39,906,975	27,033,597	-32
Washington	38,876,705	27,141,144	-30
West Virginia	17,933,823	12,509,188	-30
Wisconsin	70,455,549	49,393,608	-30
Wyoming	5,896,563	4,133,849	-30

Source: HHS, Low Income Home Energy Assistance Program: Report to the Congress for Fiscal Years 1986-89. Annual Reports. Data for FY 1989 is preliminary.

# LIHEAP Block Grant Funds Transferred to Other HHS Block Grant Programs, by State (FY 1986-89)

State	Estimated amounts transferred, by fiscal year				
	FY 1986	FY 1987	FY 1988	FY 1989	
				Amount	Percent*
<b>Total</b>	<b>\$87,267,745</b>	<b>\$91,967,965</b>	<b>\$65,653,747</b>	<b>\$52,611,652</b>	<b>4</b>
Alabama	1,764,154	1,557,363	1,188,659	1,079,207	9
Alaska	0	0	0	0	0
Arizona	0	0	0	0	0
Arkansas	1,351,948	1,194,250	1,003,588	906,362	10
California	9,470,736	8,362,618	7,026,212	6,338,279	10
Colorado	3,144,073	2,927,544	2,460,161	2,221,823	10
Connecticut	0	0	0	0	
District of Columbia	0	0	0	0	0
Florida	2,802,575	2,475,670	2,080,281	1,878,618	10
Georgia	1,980,234	1,958,027	1,645,428	1,480,389	10
Hawaii	0	0	0	0	0
Idaho	1,226,394	1,132,969	952,007	859,777	10
Illinois	0	10,507,566	0	0	0
Indiana	0	0	0	0	0
Iowa	0	0	0	0	0
Kansas	1,726,907	155,841	1,307,091	1,180,947	10
Kentucky	2,820,000	2,490,647	2,093,014	1,890,245	10
Louisiana	1,811,368	1,600,082	1,344,629	1,213,602	10
Maine	80,000	50,000	0	0	0
Maryland	0	2,924,224	0	2,219,303	10
Massachusetts	0	0	0	0	0
Michigan	11,000,000	10,000,000	8,418,297	0	0
Minnesota	6,185,088	7,226,245	6,063,783	5,486,173	10
Mississippi	0	0	0	0	0
Missouri	4,778,406	4,222,297	3,548,206	1,048,206	3
Montana	1,166,500	1,103,548	927,366	862,621	10
Nebraska	1,812,955	1,674,699	1,407,984	1,273,075	10
Nevada	265,324	354,771	339,968	269,249	10
New Hampshire	0	0	0	0	0
New Jersey	8,000,000	7,080,885	5,950,426	5,373,954	10
New Mexico	0	0	0	0	0
New York	2,650,000	0	0	0	0
North Carolina	1,492,221	3,008,249	1,703,144	1,659,942	7
North Dakota	1,390,687	1,284,633	1,079,541	980,698	10
Ohio	0	0	0	0	0
Oklahoma	0	1,189,871	0	0	0
Oregon	2,456,288	2,268,970	1,906,729	1,722,006	10

(continued)

**Appendix III**  
**LIHEAP Block Grant Funds Transferred to**  
**Other HHS Block Grant Programs, by State**  
**(FY 1986-89)**

State	Estimated amounts transferred, by fiscal year				
	FY 1986	FY 1987	FY 1988	FY 1989	
				Amount	Percent <sup>a</sup>
Pennsylvania	0	0	0	0	0
Rhode Island	0	0	0	0	0
South Carolina	0	0	0	0	0
South Dakota	1,082,276	999,741	813,980	763,575	10
Tennessee	3,215,283	2,856,123	2,120,179	1,914,778	10
Texas	4,663,458	4,120,015	3,462,254	3,126,833	10
Utah	1,411,162	1,329,493	1,119,111	1,009,676	10
Vermont	49,000	49,000	0	0	0
Virginia	0	0	0	0	0
Washington	3,887,670	2,634,510	2,387,384	2,713,102	10
West Virginia	1,793,382	1,483,425	1,246,596	1,125,827	9
Wisconsin	1,200,000	1,200,000	1,600,000	1,600,000	3
Wyoming	589,656	544,689	457,729	413,385	10

<sup>a</sup>Percent of state's 1989 allotment transferred to other programs. GAO calculation.

Source: HHS, Low Income Home Energy Assistance Program: Report to the Congress for Fiscal Years 1986-89). Annual Reports. Data for FY 1989 preliminary.

# Households Served With LIHEAP Heating Assistance, by State (FY 1986-89)

State	Estimated number of households served				Percent change, (1986-89) <sup>a</sup>
	FY 1986	FY 1987	FY 1988	FY 1989	
<b>Total</b>	<b>6,359,924</b>	<b>6,495,409</b>	<b>5,827,481</b>	<b>5,595,268</b>	<b>-12</b>
Alabama	82,733	79,164	70,720	65,103	-21
Alaska	10,938	11,022	10,861	8,194	-25
Arizona <sup>b</sup>	33,182	34,420	24,420	33,754	+2
Arkansas	72,558	61,175	74,984	59,616	-18
California <sup>b</sup>	423,238	489,650	452,130	460,015	+9
Colorado	62,108	65,079	65,699	62,904	+1
Connecticut	77,357	74,870	71,655	74,620	-4
Delaware	13,196	12,228	11,617	11,274	-15
District of Columbia	16,380	15,045	14,489	12,570	-23
Florida <sup>b</sup>	172,601	170,018	174,723	179,342	+4
Georgia	88,833	74,159	46,546	83,770	-6
Hawaii <sup>b</sup>	3,958	5,606	6,100	5,919	+50
Idaho	41,006	38,295	35,212	34,091	-17
Illinois	356,930	351,299	295,984	277,924	-22
Indiana	151,366	143,943	141,488	135,266	-11
Iowa	114,901	113,021	101,675	92,607	-19
Kansas	46,855	50,266	51,483	48,318	+3
Kentucky	119,154	97,201	47,402	48,783	-59
Louisiana	37,590	64,823	64,927	58,167	+55
Maine	60,208	56,710	52,612	51,501	-14
Maryland	93,887	87,900	83,501	80,221	-15
Massachusetts	140,940	133,130	130,427	120,610	-14
Michigan	286,888	493,043	275,325	262,403	-9
Minnesota	130,030	120,028	113,664	108,299	-17
Mississippi	58,806	65,375	52,958	53,224	-9
Missouri	140,908	143,241	131,904	119,779	-15
Montana	23,531	22,544	21,106	21,224	-10
Nebraska	36,600	34,035	35,756	30,678	-16
Nevada	11,836	12,507	12,362	12,115	+2
New Hampshire	25,426	23,414	22,878	21,540	-15
New Jersey	176,427	152,778	139,980	128,662	-27
New Mexico	55,171	50,347	47,414	40,180	-27
New York	942,659	898,850	795,547	770,053	-18
North Carolina	177,388	169,653	159,571	166,073	-6
North Dakota	18,370	17,635	17,623	17,626	-4
Ohio	395,712	389,048	373,933	365,420	-8
Oklahoma	80,535	91,775	90,232	88,877	+10
Oregon	77,446	77,903	62,648	61,199	-21

(continued)

**Appendix IV**  
**Households Served With LIHEAP Heating**  
**Assistance, by State (FY 1986-89)**

State	Estimated number of households served				Percent change, (1986-89) <sup>a</sup>
	FY 1986	FY 1987	FY 1988	FY 1989	
Pennsylvania	397,323	392,692	390,905	311,179	-22
Rhode Island	28,946	26,225	24,628	23,005	-21
South Carolina	89,403	88,313	90,647	84,826	-5
South Dakota	24,125	22,850	21,566	20,990	-13
Tennessee	74,599	86,028	67,763	58,856	-21
Texas	310,532	321,835	338,580	354,545	+14
Utah	45,520	41,819	41,367	40,575	-11
Vermont	19,579	17,860	16,409	15,916	-19
Virginia	114,660	119,984	111,300	112,492	-2
Washington	94,658	98,441	79,080	64,711	-32
West Virginia	73,579	74,838	71,382	64,924	-12
Wisconsin	216,788	201,718	181,682	160,292	-26
Wyoming	12,560	11,606	10,616	11,036	-12

<sup>a</sup>GAO calculation.

<sup>b</sup>States made no differentiation between heating and cooling assistance.

Source: HHS, Low Income Home Energy Assistance Program: Report to the Congress for Fiscal Years 1986-89. Annual Reports. Data for FY 1989 is preliminary.

# Households Served With LIHEAP Winter or Year-Round Crisis Assistance, by State (FY 1986-89)

State	Estimated number of households served				Percent change (1986-89) <sup>a</sup>
	FY 1986	FY 1987	FY 1988	FY 1989	
<b>Total</b>	<b>951,945</b>	<b>1,060,425</b>	<b>981,775</b>	<b>890,616</b>	<b>-6</b>
Alabama	9,035	11,275	10,114	5,720	-37
Alaska	331	385	0	2,158	+ 552
Arizona	13,509	12,722	8,414	3,306	-76
Arkansas	375	5,069	3,697	16,968	+4,425
California	78,355	118,091	121,330 <sup>b</sup>	99,463 <sup>c</sup>	+ 27
Colorado	2,437	3,183	353	368	-85
Connecticut	4,389	1,949	6,824	3,191	-27
Delaware	530	835	612 <sup>d</sup>	713 <sup>e</sup>	+ 35
District of Columbia	2,006	1,654	1,168	1,503	-25
Florida	4,619	5,317	11,993	13,838	+ 200
Georgia	19,443	54,871	47,827	25,673	+ 32
Hawaii	3,424	0	0	0	-100
Idaho	1,334	1,252	1,278 <sup>f</sup>	1,517	+ 14
Illinois	18,745	17,674	17,699	12,874	-31
Indiana	17,899	12,518	12,617	14,754	-18
Iowa	364	278	7,551	1,750	+ 381
Kansas	0	0	0	0	0
Kentucky	42,978	52,008	88,427	84,380	+ 96
Louisiana	0	0	0	0	0
Maine	5,017	6,041	11,277	9,776	+ 95
Maryland <sup>g</sup>	3,439	3,875	5,371	8,765	+ 155
Massachusetts <sup>g</sup>	40,396	32,551	27,523	15,328	-62
Michigan	94,393	93,849	94,233	83,927	-11
Minnesota	11,382	9,587	6,271	13,119	+ 15
Mississippi	3,064	3,667	1,848	2,289	-25
Missouri	14,783	18,151	19,145	20,800	+ 41
Montana	200	250	324	379	+ 90
Nebraska	3,410	5,256	7,155	8,752	+ 157
Nevada	1,527	1,477	1,353	678	-56
New Hampshire	6,452	6,919	6,516	1,950	-70
New Jersey	30,734	26,576	14,825	12,533	-59
New Mexico	5,685	6,926	7,278	5,612	-1
New York	64,952	53,905	33,416	54,703	-16
North Carolina	41,202	47,823	40,467	37,193	-10
North Dakota	1,541	1,304	1,526	1,595	+ 4
Ohio	19,454	123,457	128,299	121,962	+ 2
Oklahoma	18,974	17,443	5,553	6,034	-68
Oregon	8,726	11,454	7,333	2,652	-70

(continued)

**Appendix V**  
**Households Served With LIHEAP Winter or**  
**Year-Round Crisis Assistance, by State**  
**(FY 1986-89)**

State	Estimated number of households served				Percent change (1986-89) <sup>a</sup>
	FY 1986	FY 1987	FY 1988	FY 1989	
Pennsylvania	34,401	178,680	122,957	86,549	-36
Rhode Island	12,509	11,394	6,902	5,497	-56
South Carolina	10,663	10,797	10,797	7,914	-26
South Dakota	3,874	315	307	377	-90
Tennessee	10,146	10,345	8,974	12,920	+ 27
Texas	13,281	11,881	6,968	26,506	+ 100
Utah	268	739	4,985	295	+ 10
Vermont	2,184	1,420	1,304	1,457	-33
Virginia	9,004	8,696	7,293	8,480	- 6
Washington	43,148	34,862	29,801	25,121	-42
West Virginia	12,806	17,727	15,864	14,335	+ 12
Wisconsin	4,483	3,664	5,606	4,217	-6
Wyoming	74	313	400	725	+ 880

<sup>a</sup>GAO calculation.

<sup>b</sup>Includes 42,618 households that received winter crisis assistance in the first quarter of FY 1988 with LIHEAP funds obligated in FY 1987.

<sup>c</sup>Includes households that received winter crisis assistance in the first quarter with LIHEAP funds obligated in FY 1988.

<sup>d</sup>Excludes 436 individuals who stayed at emergency shelters during a winter crisis.

<sup>e</sup>Excludes 457 individuals who stayed at emergency shelters during a winter crisis.

<sup>f</sup>Excludes 184 households that received crisis assistance after the regular crisis assistance program closed. Some of those households may have received regular crisis assistance.

<sup>g</sup>For all years, includes crisis households that received expedited heating assistance.

Source: HHS, Low Income Home Energy Assistance Program: Report to the Congress for Fiscal Years 1986-89. Annual Reports. Data for FY 1989 is preliminary.



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# Related GAO Products

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Low-Income Home Energy Assistance: HHS Has Not Assured State Compliance With Administrative Cost Restrictions (GAO/HRD-91-15, Nov. 13, 1990).

Low-Income Home Energy Assistance: A Program Overview (GAO/HRD-91-1 BR, Oct. 23, 1990).

Low-Income Home Energy Assistance: Legislative Changes Could Result in Better Program Management (GAO/HRD-90-165, Sept. 7, 1990).

Energy Conservation: States' Expenditures of Warner Amendment Oil Overcharge Funds (GAO/RCED-88-119BR, May 17, 1988).

Energy Management: How States Are Using Exxon and Stripper Well Funds (GAO/RCED-88-145FS, May 16, 1988).

Low-Income Energy Assistance: State Responses to Funding Reductions (GAO/HRD-88-92BR, Apr. 29, 1988).

Low Income Energy Assistance: State Responses to 1984 Amendments (GAO/HRD-86-92, May 16, 1986).

States Fund an Expanded Range of Activities Under Low-Income Home Energy Assistance Block Grant (GAO/HRD-84-64, June 27, 1984).